

King County Quarterly Economic Measures

Second Quarter, 1998

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King County Quarterly Economic Measures Second Quarter, 1998

Executive Summary

I. NATIONAL

Economic Measures/Interest Rates/AA Bond Rates

National growth tapered somewhat in the second quarter, providing mild support for predictions of a slowdown due to the Asian financial crisis. The real gross domestic product (GDP) grew at a 1.4% annual pace over the second quarter. This compares to a first quarter revised gain of 5.5% annualized growth. Non-residential fixed investment increased at approximately half (11.4% annualized) the rate it had in the previous quarter. For the most recent twelve months, GDP grew 3.5%, down a whole point from the 4.5% pace of growth during the year ending second quarter 1997. Annual real GDP growth has ranged between 2.0% and 3.8% over the past five years.

The Federal Reserve Board has not raised its target rate for the federal funds rate since late March 1997, when it was increased by 25 basis points to 5.50%. The prime rate (8.5%) and discount rate (5.0%) have not changed in the past year. Inflation has continued to remain very low. The implicit price deflator increased at a scant 0.9% annual rate during the second quarter, after realizing its smallest increase in 34 years the previous quarter (0.8%), and rose only slightly (1%) in the twelve months ending second quarter 1998. The second quarter Consumer Price Index expanded at an annual rate of 2.2%, rising 1.7% during the previous twelve months. For calendar year 1997, inflation as measured by the CPI was pegged at 2.3%.

Consistent with the low level of inflation, interest rates for Treasury bills and bonds increased only slightly in the second quarter. Thirty year home mortgage rates in Washington state actually fell during this time, averaging 7.15%. This was the lowest quarterly average rate in the past five years. In that period, mortgage rates have ranged from 7.0% (October 1993) to over 9.4% (late 1994).

AA bond rates in late July also dropped from late April totals, with levels decreasing between 10 to 20 basis points for non-taxable bonds and 25 to 40 points for taxable bonds.

Industrial/Manufacturing Measures

Preliminary reports indicate that non-farm inventories were up only \$36.6 billion during second quarter 1998, down considerably from a revised \$85.9 billion increase the previous quarter. The large build up of inventories last quarter could not be sustained in the face of modest consumer demand.

Other indicators showed mixed results. Industrial production increased at an 2.6% annual rate in the second quarter, up from the 1.3% rate in the first quarter of 1998. Industrial production declined, however, in the month of June due mainly to the strike at General Motors that limited the output of motor vehicles and parts, weakness in other industries were evident. In the case of durable manufacturing for the most part it was only the high tech sectors (industrial machinery including computers, and electrical machinery) that posted gains in June. The strike and industrial slowdowns also influenced capacity utilization rates, which fell in the second quarter for total industry (82.1%), as well as for manufacturing (80.9%).

Income Measures

Previous estimates of first quarter per capita disposable personal income have been revised downward, alleviating some concern that the economy might be overheating. Per capita disposable income increased at an annualized rate of just under 1% during the second quarter, again reflecting the impact of the GM strike. For the twelve month period ending in the second quarter 1998, personal income rose 1.5%, the lowest twelve month gain since the period ending December 1996 (1.1%).

II. KING COUNTY

Economic Activity

The West CPI-U rose at a 2.0% annual rate in the second quarter and 1.8% during the twelve months ending 2Q/98. This was somewhat less than the 2.3% rise in the previous twelve months. Bankruptcy filings fell from second quarter 1997 in both King County (9.8%) and the Central Puget Sound region (6.1%). Bankruptcy filings have stabilized the past year after rising dramatically in 1995 and 1996.

Employment

Area employment growth continued to be strong in the second quarter. Employment increased in the central Puget Sound region by 3.2% over second quarter 1997. Durable manufacturing employment rose marginally (at a 2% annual rate), gaining for the tenth straight quarter after falling five consecutive previous quarters.

As employment expanded, area unemployment continued to decline. King County second quarter unemployment fell to 2.8%, the lowest unemployment rate this decade. Unemployment also declined in the Central Puget Sound region, decreasing from 3.4% in the first quarter 1998 to 3.1% in the second quarter. The unemployment rates in both the region and King County are

considerably lower than the national rate of 4.5% seasonally adjusted. U.S. unemployment increased slightly in June after dropping consistently since averaging 7.5% in 1992.

Construction

The single-family housing market remained quite strong, as housing prices continued to rise and units continued to sell quickly. Median prices increased a substantial 12.5% over second quarter 1997. The average time a house stayed on the market declined to 34 days, down slightly from the past four quarters, when sales time ranged between 39 and 42 days.

Non-residential construction activity was fairly stable. The total value of Seattle permits for non-residential construction was 4.9% above second quarter 1997. Seattle residential construction permit values dropped slightly to \$82 million, a decrease of 12% from the first quarter, although second quarter 1998 values increased 54% over those in second quarter 1997. Seattle residential permit activity was spread between improvements to existing housing units (817 permits) as well as 171 permits for new construction that will result in 570 new residential units.

Office Market

The Downtown Seattle market remained brisk, in spite of the vacancy rate rising modestly to 5.2%. The market for Class A space relaxed just slightly (3.2% vacancy), while the Class B market tightened (6.5% vacancy). Absorption, the change in the amount of leased space, was relatively low at just over 29,000 square feet. Tenant clearances due to renovations at Smith Tower contributed to the flat rate of absorption. In spite of the increased vacancies and lackluster absorption, median Class A lease rates edged up 14% annually to \$27 per square foot, with some top floor space going for as much as \$40 per square foot. In response to low vacancies and high demand, CB Commercial expects office construction activity to heat up; there is nearly 1.8 million square feet of office space under construction in the downtown market and 4.4 million square feet planned.

Demand in Bellevue/Eastside continued at robust pace as evidenced by second quarter absorption of over 260,000 square feet and a miniscule vacancy rate in the face of completion of six new buildings. Space tightened even further in the second quarter to an extraordinarily low vacancy rate of 1.5%. Class A space is extremely tight (1.1%), with median rates rising again to \$26.00 per square foot. The Eastside market is very hot, with nearly 1.9 million square feet of office space under construction and an enormous 13.1 million square feet of planned office construction. Microsoft alone is negotiating lease deals totaling 1.3 million square feet.

North King County vacancy rates dropped to 4.3% after a couple quarters of rising vacancies. South King County vacancy rates increased to 9.6%, up from the previous quarter (8.6%). Fairly tight markets in these areas will continue to pressure the Downtown Seattle and Bellevue/Eastside markets.

Industrial Market

Overall the King County industrial market witnessed considerable activity in the second quarter, although there were signs of cooling. While vacancy rates declined slightly in Seattle Close-In

(to 2.3%) and Seattle high tech vacancy rates again dropping sharply (to 1.6%), absorption, declined to just over 170,000 square feet. Kent Valley vacancy rates rose slightly to 6.4%, as nearly one million new square feet of industrial space was introduced into the market. Vacancy rates for high-tech space more than doubled over first quarter rates to 14.8%. Absorption slowed to 84,000 square feet. The Eastside market rebounded from last quarter's lowest absorption in a year (22,000 square feet) and saw a second quarter absorption of nearly 730,000 square feet. Eastside industrial vacancy rates rose slightly (4.8%) and high-tech rates jumped from 3.8% to 5.4%.

CB Commercial forecasts that the King County industrial market will remain strong. Most of the current and planned construction is taking place outside of Seattle. Kent Valley remains busy, with 1.6 million square feet under construction, and over 4.6 million square feet planned. The Eastside market is also strong, with nearly 390,000 square feet under construction and over 4.4 million square feet planned.

Retail Market

A combination of increases in personal income (stemming from new high-wage aerospace and software employment) and home-buying activity sent the region's durable-goods purchases up an annual rate of 15% in the first quarter of 1998. In response to increased purchases, developers have completed over 400,000 square feet of new retail space so far this year, with another 1.6 million on the way. Much of this space is being developed in the Seattle and Bellevue markets in the form of mixed-use buildings. Vacancy rates remain largely unchanged from the end of 1997 and range from 2.7% in the downtown Seattle market, 6% in the Bellevue/Eastside market, to 7.6% in the Southend market (South King, Pierce, and Thurston Counties).

Apartment Market

Sales of apartment buildings have passed the \$500 million mark within King, Pierce, and Snohomish Counties for the first half of 1998, establishing a record pace that will potentially reach \$1 billion by year's end. Apartments sold for an average of \$67,000 per unit with the downtown Seattle Harbor House condominium conversion topping the chart at \$163,600 per unit. Apartment rental rates in the Seattle area increased by 4% during the first half of 1998. Apartment vacancy rates remained exceptionally low throughout the Puget Sound Region with vacancy rates in all King and Snohomish markets below 2% and an apartment vacancy rate of 3.3% within Pierce County.

Convention Information

The number of Conventions and Events for second quarter 1998 was virtually unchanged from a year earlier, although room nights declined by 6%. Local room tax collections for the first quarter of 1998 were 6% higher than for the first quarter of 1997. (First Quarter 1998 is the most recent data available for local room tax collections).

Job Dislocation Activity

Job dislocation reports for the second quarter of 1998 were unavailable at the time of printing.

Below is a summary of first quarter activity, as reported through the Worker Adjustment and Retraining Notification Act (WARN).

Layoffs rose slightly (to 825) in first quarter 1998, though this was less than half of first quarter 1997 (1,873). Many of those laid off were office workers. The largest job losses were at Deluxe Corporation in Federal Way (190 in office and production), U.S. West in Seattle (142 technicians and salespeople), Atlas Copco Robbins in Kent (80 in office and production), Community News Group in Sea-Tac (60 in newspapers), Kits Cameras in Kent (60 in office and distribution), Microsoft (MSN) in Redmond (50 in computer software) and Western Optical (50 in office, production and retail sales).

Boeing and Airline Industry Data

Boeing employment in Washington state increased to 104,000, its highest level since 1991. This was a 0.5% increase from the first quarter. Boeing layoffs, however, are still expected in the future. Boeing contractual backlogs remained steady, ending the quarter at \$121.8 billion. Commercial aircraft orders backlog declined slightly again this quarter (\$91.8 billion). Backlogs for Information, Defense and Space division, made up of elements from the former Boeing Defense & Space Group and McDonnell Douglas Corporation, rose \$1.5 billion to a \$30 billion total.

Retail Sales

King County taxable retail sales rose modestly, 5.8% higher in the first quarter of 1998 than in first quarter 1997. (First quarter 1998 is the most recent quarter for which data is available.) Finance, insurance and real estate (FIRE) sales rose sharply (38.2%). Manufacturing grew by a strong 14.4%, with rapid growth in Kent (up 96%). Contract construction also expanded at a rapid pace (16%), reflecting the region-wide building boom. Retail trade taxable sales, which represent 46% of total sales, increased by 5.4%; notable retail sales growth in construction-related lumber and building materials (up 17%) and furniture (up 14%). Services growth was strong (up 10%), as computer services (up 26%) and business services (up 17%) rose sharply.

Seattle taxable retail sales in the first quarter increased somewhat, up 8.0% over first quarter 1997. FIRE sales rose sharply (25%). Contract construction sales also grew sharply (20%) while manufacturing sales declined (4%). Services rose modestly (12%), led by a 44% gain in sales of computer services (which includes software products) and a 23% increase in business services. Retail trade rose (up 5%), with noticeable gains in furniture (up 20%), while general merchandise sales declined (down 25%).

U.S. ECONOMIC MEASURES

	1997			1998	
	II	III	IV	I (r)	II (p)
Gross Domestic Product	\$8,063.4	\$8,170.8	\$8,254.5	\$8,384.2	\$8,431.7
GDP Growth	\$455.7	\$494.8	\$461.6	\$450.6	\$368.3
Real GDP	\$7,236.5	\$7,311.2	\$7,364.6	\$7,464.7	\$7,491.0
Real GDP Growth	\$310.5	\$367.4	\$347.2	\$363.1	\$254.5
% Real GDP Growth*	4.5%	5.3%	4.9%	5.1%	3.5%
% Real Quarterly GDP Growth**	1.9%	1.0%	0.7%	1.4%	0.4%
% Real GDP Growth Annualized***	4.0%	4.2%	3.0%	5.5%	1.4%
GDP Implicit Price Deflator	111.4	111.8	112.1	112.3	112.6
Consumer Price Index	160.2	160.8	161.5	161.9	162.8

INTEREST RATES	1997			1998	
	II	III	IV	I (r)	II (p)
1 yr T-Bill	5.52	5.25	5.19	5.04	5.14
3 yr T-Bond	6.42	6.01	5.78	5.46	5.58
10 yr T-Bond	6.70	6.24	5.91	5.59	5.60
30 yr T-Bond	6.93	6.53	6.14	5.88	5.85
Discount Rate	5.00	5.00	5.00	5.00	5.00
Prime Rate	8.50	8.50	8.50	8.50	8.50
New Home Mortgage Yield (National)	8.00	7.66	7.45	7.23	7.18
Avg Mortgage Rate (WA State)	8.12	7.67	7.44	7.17	7.15

(r) - Revised. (p) - Preliminary.

Gross Domestic Product: Billions of current dollars.

GDP Growth: Change from same period, one year ago, in billions of current dollars

Real GDP: Gross domestic product in 1992 dollars.

Real GDP Growth: Change in real GDP from one year ago.

* % Real GDP Growth: Percentage growth from same quarter last year.

** % Real Quarterly GDP Growth: Percentage growth from last quarter.

***% Real GDP Growth Annualized: Real growth compounded quarterly to achieve an annual rate. It is not adjusted for seasonal variation.

GDP Price Deflator: 1992=100.

CPI: 1982-1984=100. Price index covers all urban consumers. These figures are revised.

National Interest Rates: 3 month average of rates.

New Home Mortgage Yield (National): Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Average Mortgage Rate: 3 month average of 30 year fixed mortgage rates for Washington State.

SOURCES:

Economic Measures come from the U.S. Bureau of Economic Analysis (BEA) (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

National Interest Rates come from the **Federal Reserve Statistical Release** (<http://www.bog.frb.fed.us/releases/H15/>).

New Home Mortgage Yield comes from the Federal Housing Finance Board (<http://www.fhfb.gov/mirs.htm>).

Washington State Average Mortgage Rate comes from **Seattle Times Business section**, Market Trends Research Co.

	G.O. Tax Exempt	G.O. Taxable	Revenue Bonds
10 yr	4.50	6.30	4.60
20 yr	5.00	6.55	5.10
30 yr	5.25	6.70	5.15

AA BOND RATES AS OF 7/27/98

GENERAL INDICATORS OF ECONOMIC ACTIVITY

REGION	1997			1998	
	II	III	IV	I (r)	II (p)
CPI-U (West)	161.1	161.6	162.8	163.2	164.0
Bankruptcies (King, Pierce, Snohomish, Kitsap)	4,929	4,567	4,600	4,780	4,628
Taxable Retail Sales (King, Pierce, Snohomish, Kitsap)	\$10,822,789,252	\$11,420,968,431	\$12,003,638,841	\$10,401,965,149	
# of businesses reporting	82,882	83,027	101,547	81,326	

LOCAL	1997			1998	
	II	III	IV	I (r)	II (p)
CPI (Seattle/Tacoma)	161.9	164.1	164.1	166.5	167.0
TOTAL Shipments					
Air freight (Metric Tons)	69,935	75,495	71,732	65,725	76,709
Water-borne freight (Thousand Metric Tons)					
Air Passengers (Sea-Tac)	6,232,627	7,546,392	5,764,579	5,288,525	6,594,929
New Business Starts (Seattle)	1,840	2,307	2,215	3,011	1,416
Bankruptcies (King Co.)	2,222	2,084	2,103	2,141	2,004
Taxable Retail Sales (Seattle)	\$2,640,896,811	\$2,726,113,195	\$2,891,911,404	\$2,564,276,476	
# of businesses reporting (Seattle)	22,847	22,749	27,480	22,689	
Electrical Energy Usage (1,000's of kilowatts)	2,215,740	2,065,442	2,207,502	2,614,681	
Residential Telephone Access Lines	376,396	377,609			
Business Telephone Access Lines	142,474	141,564			
Natural Gas Customers (Thousands)					

CPI-U (West): Covers all urban consumers. 1982-1984 = 100.

New Business Starts consist of the total new business license accounts for the quarter.

SOURCES:

Shipments: Port of Seattle. (Waterborne Freight data for 1997 and 1998 is not yet available.)

Air Passengers: Port of Seattle.

New Business Starts: Seattle Dept. of Licensing. (These figures are revised.)

Bankruptcies: U.S. Bankruptcy Court.

Taxable Retail Sales: *Quarterly Business Review*, Dept. of Revenue, WA State.

Electrical Energy Usage: Seattle City Light. (Third Quarter 1997 totals are a projection based on July and August figures).

Telephone Access Lines: US West. (Third Quarter 1997 totals are a projection based on July and August figures. Third Quarter 1996 totals are a projection based on July and September totals.)

Natural Gas Customers: Puget Sound Energy. (Second, Third & Fourth Quarter 1997 totals are not yet available.)

CPI: U.S. Department of Labor, Bureau of Labor Statistics. 1982-1984 = 100.

INDUSTRIAL/MANUFACTURING MEASURES

National	1997			1998	
	II	III	IV	I (r)	II (p)
Producers' Durable Equipment	653.8	682.6	686.4	738.8	769.7
Changes in Non-Farm inventories	72.1	44.0	62.7	85.9	36.6
Manufacturers' New Orders	977,801	1,001,544	1,017,271	1,005,590	1,000,802
Non-defense capital goods orders	134,735	143,881	154,582	153,240	153,071
Industrial production	123.30	125.20	127.27	127.67	128.50
Capacity utilization rates (%)					
Total Industry	82.4	82.7	83.2	82.5	82.1
Manufacturing	81.5	81.6	82.3	81.5	80.9

(r) - Revised. (p) - Preliminary.

Producers' Durable Equipment: Billions of 1992 dollars, seasonally adjusted rates.

Changes in Non-Farm Inventories: Billions of 1992 dollars, seasonally adjusted rates.

Manufacturers' New Orders: Millions of current dollars, seasonally adjusted rates.

Non-Defense Capital Goods Orders: Millions of current dollars, seasonally adjusted rates.

Industrial Production: 1992=100, figures are 3 month average.

Capacity Utilization Rates: These figures have been revised.

SOURCES:

Producers' Durable Equipment and Changes in Non-Farm Inventories: **U.S. Bureau of Economic Analysis** (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

Manufacturers' New Orders and Non-Defense Capital Goods Orders: **U.S. Census Bureau** (<http://www.census.gov/indicator/www/table5p.txt>).

Industrial Production and Capacity Utilization Rate: **Federal Reserve Statistical Release** (<http://www.bog.frb.fed.us/releases/g17/Current/>).

EMPLOYMENT

REGION (King, Kitsap, Pierce, Snohomish and Island)	1997			1998	
	II	III	IV	I (r)	II (p)
Civilian Labor Force	1,737,230	1,762,580	1,786,257	1,801,440	1,796,330
Non-Agricultural Employment					
Total	1,599,517	1,606,233	1,634,367	1,620,333	1,651,050
Construction	81,000	87,133	84,467	78,867	83,700
Retail	274,285	280,254	284,458	274,590	281,368
Wholesale Trade and Utilities	126,671	128,916	129,685	130,947	133,052
Manufacturing	243,567	249,767	252,467	252,233	253,650
Durable goods	184,600	190,600	194,900	195,767	196,750
Non-durable goods	56,867	56,967	55,400	54,567	54,950
Government	255,267	243,367	256,767	257,067	259,150
FIRE	91,267	93,833	94,700	94,867	96,250
Services	453,833	457,867	466,000	466,633	477,000
Non-Agricultural Unemployment (UE)					
Initial UE Claims	28,084	24,915	31,193	32,875	29,622
UE Rate	3.7%	3.5%	3.3%	3.4%	3.1%
Unemployment Beneficiaries	39,659	34,759	33,548	40,233	37,125
Manufacturing	6,019	5,072	5,163	6,180	6,122
Non-Manufacturing	33,640	29,687	28,385	34,053	31,003

LOCAL (King County)	1997			1998	
	II	III	IV	I (r)	II (p)
Civilian Labor Force	986,067	1,005,133	1,020,300	1,024,533	1,024,167
Non-Agricultural Employment					
Total	1,069,733	1,082,200	1,104,267	1,087,610	1,104,198
Construction	51,000	55,200	53,867	50,069	52,700
Retail	174,267	178,467	181,667	174,845	178,767
Wholesale Trade and Utilities	82,500	83,933	84,333	85,508	86,656
Manufacturing	153,133	156,300	158,367	158,691	159,473
Durable goods	113,533	117,333	120,033	119,794	121,006
Non-durable goods	39,600	38,967	38,333	37,332	38,265
Government	146,733	139,467	147,400	146,274	148,966
FIRE	67,167	69,500	70,667	69,878	70,834
Services	326,167	330,733	338,567	334,045	342,816
Non-Agricultural Unemployment (UE)					
Initial UE Claims	14,161	12,804	14,812	16,995	15,084
UE Rate	3.4%	3.2%	2.9%	2.9%	2.8%
Unemployment Beneficiaries	20,427	18,272	16,771	19,690	18,485
Manufacturing	2,994	2,618	2,579	3,015	3,098
Non-Manufacturing	17,433	15,654	14,192	16,675	15,387

"Region" consists of King, Kitsap, Pierce, Snohomish and Island Counties. Island County is included to make unemployment figures consistent with Non-Agricultural Employment.

Civilian Labor Force consists of laborers who live in the region in question. (Residence based).

Non-Agricultural Employment consists of laborers who work in the region in question. (Place of work based).

All figures are averages of monthly figures except Initial UE claims, which is a 3 month sum.

Official King County non-agricultural employment for 1998 is not yet available. These figures are estimates by the Central Puget Sound Economic Development District

SOURCE:

Washington State Labor Area Summaries (Washington State Employment Security).

INCOME MEASURES

NATION	1997			1998	
	II	III	IV	I (r)	II (p)
Per Capita Disposable Personal Income (in 1992 constant \$)	\$19,439	\$19,522	\$19,681	\$19,686	\$19,731

REGION (King, Kitsap, Pierce, Snohomish)	1996		1997		
	III	IV	I	II (r)	III (p)
Wages (current dollars, not deflated)					
Agriculture, Forestry, Fishing	\$1,922	\$2,194	\$1,968	\$2,052	\$1,957
Mining	\$3,173	\$3,189	\$3,130	\$3,226	\$3,351
Construction	\$2,729	\$2,891	\$2,735	\$2,799	\$2,900
Manufacturing	\$3,418	\$3,724	\$3,613	\$3,620	\$3,604
Transportation and Public Utilities	\$3,043	\$3,175	\$3,530	\$3,180	\$3,258
Wholesale Trade	\$3,167	\$3,368	\$3,360	\$3,217	\$3,310
Retail Trade	\$1,455	\$1,476	\$1,479	\$1,501	\$1,523
FIRE	\$3,002	\$3,213	\$3,636	\$3,323	\$3,423
Services	\$2,598	\$2,768	\$2,945	\$3,015	\$2,904
Government	\$2,885	\$2,796	\$2,849	\$2,880	\$2,957
Overall Average	\$2,645	\$2,772	\$2,859	\$2,838	\$2,837

LOCAL (King County)	1996		1997		
	III	IV	I	II (r)	III (p)
Wages (current dollars, not deflated)					
Agriculture, Forestry, Fishing	\$2,249	\$2,702	\$2,361	\$2,335	\$2,523
Mining	\$3,273	\$3,234	\$3,287	\$3,287	\$3,327
Construction	\$2,909	\$3,082	\$2,948	\$2,949	\$3,005
Manufacturing	\$3,466	\$3,786	\$3,682	\$3,643	\$3,653
Transportation and Public Utilities	\$3,115	\$3,218	\$3,490	\$3,620	\$3,204
Wholesale Trade	\$3,328	\$3,513	\$3,527	\$3,524	\$3,372
Retail Trade	\$1,538	\$1,568	\$1,584	\$1,573	\$1,603
FIRE	\$3,188	\$3,413	\$3,890	\$3,941	\$3,415
Services	\$2,915	\$3,105	\$3,441	\$3,392	\$3,460
Government	\$2,962	\$2,888	\$2,942	\$2,946	\$2,919
Overall Average	\$2,820	\$2,962	\$3,122	\$3,099	\$3,054

Per Capita Disposable Personal Income: Figures are in 1992 dollars and are seasonally adjusted annual rates.

Wages: Average of monthly wages by industry, not occupation, and represents jobs covered by the Washington Employment Security Act. Figures are lagged one year or more due to reporting delay. Figures are not deflated due to difficulty in choosing appropriate deflator.

SOURCES:

Per Capita Disposable Income comes from the **U.S. Bureau of Economic Analysis** (<http://www.bea.doc.gov/bea/nipubl-d.html>).

Wages: **Employment and Payrolls in Washington State by County and Industry** (Washington State Employment Security).

CONSTRUCTION

	1997			1998	
	II	III	IV	I (r)	II (p)
Residential Construction (\$\$ value) 1/	\$53,382,008	\$121,280,788	\$70,344,602	\$93,798,117	\$82,410,027
Non-Residential Construction (\$\$ value) 2/	\$163,426,134	\$292,820,621	\$152,956,672	\$224,956,831	\$171,410,812
Home Sales (King County)					
# of Sales	6,102	6,229	5,367	4,668	6,444
Median Sales Price	\$186,242	\$192,296	\$196,086	\$202,390	\$211,834
Mean Sales Price	\$226,408	\$237,540	\$236,866	\$245,801	\$258,480
Days on Market	42	39	40	41	34
Building Permits					
Commercial and Industrial 3/	710	659	609	664	767
Existing Housing Units	623	765	498	507	817
New Residential Permits	155	155	151	172	171
New Residential Units	433	1,120	620	1,041	570

Figures represent construction activity for City of Seattle.

Number of commercial and industrial permits is estimated by number of total permits minus residential, schools, churches, and some specific permits.

"Days on Market" for fourth quarter 1997 has been revised.

SOURCES:

City of Seattle Department of Construction and Land Use, "**Issued Permit Data**" (monthly reports). Home sale data comes from the **Northwest Multiple Listing Service**.

OFFICE MARKET

Seattle Overall	1997			1998	
	II	III	IV	I	II
Total Sq. Feet	36,252,932	36,066,345	36,505,231	36,308,132	36,547,787
# Buildings	443	439	441	441	445
Vacant Sq. Feet	3,498,208	2,482,256	2,176,862	1,977,257	2,051,699
Vacancy Rates	9.6%	6.9%	6.0%	5.4%	5.6%
Project Under Cons (Sq. Ft.)	292,000	537,000	1,765,118	1,780,275	1,799,555
Absorption (Sq. Ft.)	411,880	894,860	270,158	331,190	106,281

"Seattle Overall" consists of Downtown, Northend, Southend, and Tacoma/Federal Way.

Downtown Seattle	1997			1998	
	II	III	IV	I	II
Total Sq. Feet	26,473,358	26,511,858	26,992,868	26,795,769	26,884,969
# Buildings	205	205	209	209	211
Vacant Sq. Feet	1,584,882	1,567,422	1,356,028	1,283,742	1,273,111
Vacancy Rates	6.0%	5.9%	5.0%	4.8%	5.2%
Project Under Cons (Sq. Ft.)	292,000	537,000	1,765,118	1,780,275	1,780,275
Absorption (Sq. Ft.)	235,912	75,401	157,548	203,871	29,012
Class A					
Median Lease Rate/sf	\$23.00	\$23.75	\$24.50	\$24.50	\$27.00
Vacancy Rate	3.8%	3.0%	2.5%	2.3%	3.2%
Class B					
Median Lease Rate/sf	\$17.50	\$17.50	\$17.00	\$19.50	\$20.00
Vacancy Rate	13.9%	14.2%	11.0%	10.6%	6.5%
Class C					
Vacancy Rate	10.0%	10.9%	11.3%	11.2%	12.8%

"Downtown Seattle" consists of the Canal, CBD, Denny Regrade, Lake Union, Lower Queen Anne, Pioneer Square and Waterfront.

North King County	1997			1998	
	II	III	IV	I	II
Total Sq. Feet	1,050,559	1,050,559	1,050,559	1,050,559	1,050,559
# Buildings	23	23	23	23	23
Vacant Sq. Feet	79,637	51,799	52,157	58,842	44,646
Vacancy Rates	7.6%	4.9%	5.0%	5.6%	4.3%
Project Under Cons (Sq. Ft.)	0	0	0	0	0
Absorption (Sq. Ft.)	23,798	27,838	-358	-6,685	14,196
Class A					
Median Lease Rate/sf	\$19.00	\$19.50	\$19.50	\$19.50	\$19.50
Vacancy Rate	7.7%	4.7%	4.7%	5.1%	3.7%
Class B					
Median Lease Rate/sf	\$17.25	\$18.50	\$18.50	\$18.00	\$18.50
Vacancy Rate	7.0%	6.0%	7.0%	8.0%	6.9%

"North King County" consists of area north of the Ship Canal up to the King County line.

The *Absorption Rate* is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases. Absorption is calculated by CB Commercial on a building by building basis.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

OFFICE MARKET

South King County	1997			1998	
	II	III	IV	I	II
Total Sq. Feet	5,296,590	5,103,964	5,073,840	5,073,840	5,224,295
# Buildings	126	122	121	121	123
Vacant Sq. Feet	1,492,088	630,732	550,196	437,079	503,688
Vacancy Rates	28.2%	12.4%	10.8%	8.6%	9.6%
Project Under Cons (Sq. Ft.)	0	0	0	0	19,280
Absorption (Sq. Ft.)	67,095	693,323	99,146	113,117	74,846
Class A					
Median Lease Rate/sf	\$16.50	\$17.50	\$17.50	\$17.50	\$18.00
Vacancy Rate	25.0%	6.9%	10.9%	6.5%	5.5%
Class B					
Median Lease Rate/sf	\$14.50	\$15.00	\$15.00	\$15.50	\$15.50
Vacancy Rate	35.7%	22.9%	9.7%	10.9%	17.4%

"South King County" consists of area south of the Kingdome to the King County line, excluding Federal Way.

Bellevue/Eastside	1997			1998	
	II	III	IV	I	II
Total Sq. Feet	15,200,253	15,324,453	15,379,483	15,379,483	15,610,111
# Buildings	278	281	282	282	288
Vacant Sq. Feet	387,463	398,390	356,282	256,527	191,736
Vacancy Rates	2.5%	2.6%	2.3%	1.7%	1.5%
Project Under Cons (Sq. Ft.)	731,195	695,000	1,189,584	1,178,297	1,924,072
Absorption (Sq. Ft.)	180,872	142,417	68,043	48,458	266,514
Class A					
Median Lease Rate/sf	\$23.00	\$24.00	\$25.00	\$26.00	\$26.00
Vacancy Rate	1.5%	1.7%	1.9%	1.4%	1.1%
Class B					
Median Lease Rate/sf	\$19.00	\$23.00	\$24.00	\$24.50	\$24.50
Vacancy Rate	4.2%	3.6%	2.8%	1.8%	2.0%
Class C					
Median Lease Rate/sf	\$16.00	\$17.00	\$16.50	\$17.00	\$17.50
Vacancy Rate	4.9%	5.9%	4.3%	4.4%	4.2%

"Bellevue/Eastside" consists of the East side of Lake Washington, from Bothell on the King/Snohomish County line to Renton City Limits.

The *Absorption Rate* is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

INDUSTRIAL MARKET

Seattle Close-In	1997			1998	
	II	III	IV	I	II
Total Square Footage					
Industrial	66,431,658	66,568,768	66,305,124	66,602,632	72,831,223
High-Tech	1,220,412	1,220,412	1,220,412	1,220,412	1,220,412
Total	67,652,070	67,789,180	67,525,536	67,823,044	74,051,635
Vacancy					
Industrial	3.4%	3.3%	3.1%	2.7%	2.3%
High-Tech	10.7%	11.0%	6.9%	2.6%	1.6%
Total Vacant Sq. Ft.					
Industrial	2,363,670	2,317,804	2,167,185	1,847,472	1,717,923
High-Tech	2,232,578	2,184,141	2,083,496	1,815,583	1,697,993
High-Tech	131,092	133,663	83,689	31,889	19,930
Lease Rates					
Older Buildings	\$.25-.38/sf shell + \$.55-.60/sf office	\$.25-.38/sf shell + \$.55-.60/sf office	\$.25-.38/sf shell + \$.55-.65/sf office	\$.25-.38/sf shell + \$.55-.65/sf office	
Newer Buildings	\$.38-.40/sf shell + \$.60-.65/sf office	\$.38-.40/sf shell + \$.60-.65/sf office	\$.38-.42/sf shell + \$.60-.65/sf office	\$.38-.42/sf shell + \$.60-.65/sf office	
NNN Expenses	\$.05-.16/sf per month	\$.05-.16/sf per month	\$.05-.16/sf per month	\$.05-.16/sf per month	
High-Tech	\$.65-1.00/sf per month	\$.65-1.00/sf per month	\$.65-1.00/sf per month	\$.65-1.00/sf per month	
Absorption (sf) 2/	-3,051	181,975	-367,724	580,333	171,851

"Seattle Close-In" stretches from the King/Snohomish line south to Tukwila.
Absorption is for the quarter.

The sudden jump in total industrial square footage within the Seattle Close-In market, during the second quarter of 1998, reflects a redefinition of the market area, (the inclusion of additional existing buildings previously uncounted) and is not attributable to a flood of new construction.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

INDUSTRIAL MARKET

Kent Valley Market	1997			1998	
	II	III	IV	I	II
Total Square Footage					
Industrial	79,945,508	80,116,002	80,491,527	81,567,281	82,409,970
High-Tech	1,834,164	1,834,164	1,834,164	1,834,164	1,834,164
Total	81,779,672	81,950,166	82,325,691	83,401,445	84,244,134
Vacancy					
Industrial	6.7%	6.5%	5.4%	5.7%	6.4%
High-Tech	7.5%	7.8%	8.6%	7.1%	14.8%
Total Vacant Sq. Ft.					
Industrial	5,467,445	5,351,356	4,541,449	4,759,999	5,518,471
High-Tech	137,716	143,814	158,537	130,028	270,608
Lease Rates					
Older Buildings	\$.28-.30/sf shell + \$.50-.55/sf office	\$.28-.30/sf shell + \$.50-.55/sf office		\$.28-.30/sf shell + \$.50-.55/sf office	
New Buildings	\$.30-.32/sf shell + \$.55-.60/sf office	\$.30-.32/sf shell + \$.55-.60/sf office		\$.30-.34/sf shell + \$.55-.65/sf office	
NNN expenses	\$.07-.12/sf per month	\$.07-.12/sf per month		\$.07-.12/sf per month	
High-Tech	\$0.75-1.15/sf	\$0.75-1.15/sf		\$0.75-1.15/sf	
Absorption (sf)	32,940	90,743	420,037	354,098	84,217

"Kent Valley" is defined as Tukwila, Renton, Kent, Auburn and Sea-Tac.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

INDUSTRIAL MARKET

Eastside Market	1997			1998	
	II	III	IV	I	II
Total Square Footage	18,633,822	18,846,448	19,604,686	20,371,053	21,240,529
Industrial	14,338,152	14,523,778	15,317,241	15,452,871	16,053,697
High-Tech	4,295,670	4,322,670	4,287,445	4,918,182	5,186,832
Vacancy					
Industrial	5.3%	5.7%	4.4%	4.5%	4.8%
High-Tech	4.9%	2.5%	3.8%	3.8%	5.4%
Total Vacant Sq. Ft.	970,447	937,803	838,862	890,065	1,041,197
Industrial	760,819	829,217	676,191	702,674	762,854
High-Tech	209,628	108,586	162,671	187,391	278,343
Lease Rates					
Older Buildings	\$.38-.45/sf shell + \$.75-.95/sf office	\$.38-.45/sf shell + \$.75-.95/sf office	\$.40-.60/sf shell + \$.95-1.10/sf office	\$.45-.55/sf shell + \$.95-1.10/sf office	\$.45-.55/sf shell + \$.95-1.10/sf office
New Buildings	\$.42-.60/sf shell + \$.85-1.05/sf office	\$.42-.60/sf shell + \$.85-1.05/sf office	\$.45-.65/sf shell + \$.90-1.25/sf office	\$.45-.65/sf shell + \$.95-1.25/sf office	\$.55-.65/sf shell + \$1.10-1.30/sf office
NNN expenses	\$.06-.26/sf per month	\$.06-.26/sf per month	\$.11-.31/sf per month	\$.11-.31/sf per month	\$.11-.31/sf per month
Absorption (sf)	180,576	135,595	129,606	21,750	729,669

"Eastside Market" consists of the East side of Lake Washington, King/Snohomish County Line south to Renton City Limits.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

RETAIL

Puget Sound Area	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Total Rentable Sq. Footage	55,025,933	55,721,440	57,680,961	60,439,311	62,536,242
Total Vacant	2,752,462	3,093,269	3,692,585	3,727,557	4,195,059
Vacancy Rates	5.0%	5.6%	6.4%	6.2%	6.7%
Absorption (sf)	-269,275	416,762	1,360,265	2,826,650	1,629,429

Puget Sound consists of the downtown Seattle, Northend, Southend, Eastside, and Kitsap Markets.

Downtown Seattle	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Total Rentable Sq. Ft.	3,251,535	3,516,735	3,627,914	3,627,914	3,686,414
Total Vacant	45,092	33,571	81,969	92,708	101,172
Vacancy Rates	1.4%	1.0%	2.3%	2.6%	2.7%
Rental Rates	\$22.00	\$21.45	\$22.78	\$27.03	\$26.60
Absorption (sf)	35,113	234,521	62,781	-10,739	50,036

The Ship Canal south to the West Seattle Bridge including the Central Business District, Denny Regrade, Lower Queen Anne, Pioneer Square, West Lake Union, Capitol Hill and the Central District.

Northend	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Total Rentable Sq. Ft.	13,960,114	14,044,655	14,419,662	15,317,492	15,513,322
Total Vacant	599,384	730,790	782,182	711,080	849,089
Vacancy Rates	4.3%	5.2%	5.4%	4.6%	5.5%
Rental Rates	\$15.12	\$13.59	\$13.03	\$14.81	\$11.96
Absorption (sf)	-185,070	87,567	323,675	1,085,416	57,821

Northend is defined as North Seattle from Ship Canal up through Snohomish and Northern Counties.

Southend	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Total Rentable Sq. Ft.	25,602,468	25,869,468	26,721,964	27,540,484	28,285,213
Total Vacant	1,613,889	1,835,940	1,968,671	2,032,407	2,139,346
Vacancy Rates	6.3%	7.1%	7.4%	7.4%	7.6%
Rental Rates	\$12.13	\$13.59	\$12.29	\$10.61	\$11.78
Absorption (sf)	-287,801	24,949	719,765	754,784	637,790

"Southend" is South Seattle through Pierce and Thurston Counties.

Previous to 1Q/95, Southend was defined as the area south of the Kingdome to the King/Pierce County line.

Bellevue/Eastside	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Total Rentable Sq. Ft.	9,539,528	9,618,294	9,861,030	10,529,030	11,626,902
Total Vacant	350,694	345,609	476,879	515,084	696,958
Vacancy Rates	3.7%	3.6%	4.8%	4.9%	6.0%
Rental Rates	\$16.08	\$15.68	\$14.72	\$22.55	\$15.24
Absorption (sf)	112,815	73,681	111,466	629,795	915,998

All of King County east of Lake Washington, including Bellevue, Kirkland, Redmond, Issaquah, Bothell and Mercer Island.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

Apartment Vacancy Rates

	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Seattle/North King	2.7%	1.2%	1.3%	1.2%	1.7%
Capitol Hill/Eastlake	1.1%	0.9%	1.9%	1.9%	1.4%
Central District	1.7%	1.0%	1.7%	0.5%	NA
Downtown/First Hill	2.6%	1.6%	0.8%	0.8%	1.7%
Magnolia/Queen Anne	2.4%	0.4%	1.3%	1.2%	1.8%
North Seattle	3.2%	0.0%	1.5%	1.2%	1.2%
Sandpoint	1.0%	0.0%	0.0%	0.0%	0.5%
South Seattle	2.1%	1.0%	1.1%	NA	1.0%
University District	4.7%	3.7%	0.8%	1.0%	0.5%
West Seattle	3.1%	1.6%	1.7%	1.1%	0.6%
South King County	5.0%	3.0%	1.9%	1.7%	1.8%
Auburn	5.1%	5.4%	2.3%	1.1%	2.4%
Burien/Des Moines	5.8%	3.2%	2.0%	1.2%	1.6%
Federal Way	4.9%	3.5%	2.0%	1.9%	2.0%
Kent	5.0%	3.2%	1.6%	1.7%	2.2%
Renton	3.3%	1.5%	1.9%	1.9%	1.4%
Sea-Tac/Tukwila	5.8%	2.7%	1.8%	1.8%	1.4%
East King County	2.1%	1.0%	1.1%	1.4%	1.7%
Bellevue	2.1%	0.8%	0.9%	1.0%	1.4%
Bothell/Woodinville	3.0%	0.5%	1.8%	1.6%	3.2%
Issaquah/North Bend	2.0%	2.2%	1.0%	1.8%	1.5%
Kirkland	1.3%	1.3%	1.2%	1.7%	1.9%
Redmond	2.9%	1.2%	0.8%	1.7%	1.0%
Snohomish County	4.2%	1.2%	1.4%	1.1%	1.8%
Edmonds	3.9%	1.0%	1.4%	0.7%	0.9%
Everett	5.1%	1.9%	1.7%	1.1%	1.8%
Lynnwood	3.4%	1.3%	1.0%	1.0%	2.4%
Marysville	1.6%	0.0%	2.1%	1.7%	0.0%
Mountlake Terrace	3.7%	0.3%	0.8%	0.8%	1.8%
Pierce County	6.3%	6.0%	4.8%	4.5%	3.3%
Fircrest	4.8%	4.7%	4.2%	6.2%	3.2%
Gig Harbor	2.4%	4.2%	6.4%	3.6%	5.1%
Lakewood	7.7%	6.9%	6.1%	5.3%	3.6%
Puyallup	8.7%	4.9%	3.0%	3.7%	1.4%
Tacoma	5.6%	6.4%	5.0%	4.5%	2.3%

Source: CB Commercial Market Report

CONVENTION INFORMATION

KING COUNTY	1997			1998	
	II	III	IV	I (r)	II (p)
# Conventions/Events	141	99	150	120	139
# Room Nights	183,467	104,136	125,248	155,537	146,025
Local Room Tax	\$2,830,029	\$3,528,560	\$2,465,227	\$2,329,231	
Room Nights per Event	1,301	1,052	835	1,296	1,051

(p) - Preliminary.

(r) - Revised.

The figures for # events and # room nights are for all events booked at the convention center and area hotels, not just conventions.

"Local Room Tax" shows Washington state Hotel/Motel Tax Distributions to King County. This is used to estimate delegate expenses. Figures have been revised to show when room tax was collected, not distributed, since distribution happens two months after collection. For example, Hotel/Motel distributions for June reflect collections made in April. Second Quarter 1997 includes taxes collected in April, May and June, and distributed in June, July and August.

The tax totals do not include an extra Hotel/Motel Tax collected in Bellevue. Local room tax figures for 2Q/98 are not yet available.

SOURCES:

Seattle-King County Convention and Visitors Bureau (# Conventions/Events and # Room Nights).

Washington Department of Revenue (Hotel/Motel Tax Distribution to King County).

Seattle-King County Dislocation Activity - 1Q/98

Company	Location	Workers	No.
Deluxe Corporation	Federal Way	Office/Production	190
U.S. West	Seattle	Technicians/Sales	142
Atlas Copco Robbins Co.	Kent	Office/Production	80
Community News Group	SeaTac	Newspapers	60
Kits Camera	Kent	Office/Distribution	60
Microsoft (MSN)	Redmond	Computer Software, etc.	50
Western Optical	King County	Office, Production & Retail Sales	50
National Processing Co.	Federal Way	Credit Card Operations	47
Kent School District	Kent	Educators (Head Start)	28
HFI Foods	Redmond	Production	26
Georgia-Pacific	Woodinville	Office/Drivers	25
Providence Health Plans	Seattle	Customer Service & Claims Administration	25
Targeted Genetics	Seattle	Cancer Research	24
Darigold	Seattle	Office	16
Promise Keepers	Lynnwood	Evangelists	2
1998 1st Quarter Totals	15 Companies		825 Dislocated Workers
1997 1st Quarter Totals	16 Companies		1,873 Dislocated Workers
1997 Totals	46 Companies		3,848 Dislocated Workers

Job Dislocation Reports for second quarter 1998 were unavailable at time of printing.

Source: King County Reemployment Support Center

Boeing and Airline Industry Data

Boeing Employees in Washington State

	2Q/97	3Q/97	4Q/97	1Q/98	2Q/98
Employees	95,892	100,200	103,400	103,500	104,000

Year	Employees
1997	103,400
1996	87,769
1995	71,834
1994	81,964
1993	88,890
1992	98,603
1991	104,700
1990	104,515
1989	106,670

Source: **The Boeing Company**.

Quarterly and annual employee totals are for the end of the respective time period.

Boeing Contractual Backlogs					
(revised - in billions)					
Contractual backlog:	6/30/97	9/30/97	12/31/97	3/31/98	6/30/98
Commercial aircraft	84.1	83.5	93.8	92.4	91.8
Info., Defense & Space	28.1	25.3	27.8	28.5	30.0
Total	112.2	108.8	121.6	120.9	121.8

Source: **The Boeing Company** (<http://www.boeing.com/news/>). March 1997 is based on pre-merger data.

U.S. Airlines -- Net Profits

(in thousands)

1992	1993	1994	1995	1996	1997
(4,791,284)	(2,135,626)	(344,115)	2,313,591	2,824,328	5,194,740

Source: **Air Transport Association** (<http://www.air-transport.org/data/earnings.htm>).

Taxable Retail Sales – King County

Industry	SIC	% Change	
		Retail Sales 1Q/98	1Q/97 1Q/98
Total		\$6,923,272,671	5.8%
Contracting	15-17	\$998,605,897	15.6%
Manufacturing	20-39	\$218,462,784	14.4%
Transportation/Comm/Utilities	41-49	\$370,707,789	2.1%
Wholesaling	50-51	\$950,604,437	-8.1%
Retail Trade	52-59	\$3,162,457,679	5.4%
Building Materials/Hardware	52	\$188,986,619	11.2%
Lumber/Bldg Material	521-522	\$91,072,894	16.9%
Paint, Glass, Wallpaper	523	\$9,743,080	7.4%
Hardware Stores	525	\$73,711,170	4.1%
Nurseries/Garden Supplies	526	\$13,539,545	14.4%
Mobile Home Dealers	527	\$919,930	190.1%
General Merchandise	53	\$336,384,708	4.8%
Department Stores	531	\$214,108,423	2.3%
Variety Stores	533	\$98,409,597	10.2%
Other General Merchandise		\$23,866,688	6.7%
Food	54	\$307,738,027	3.6%
Grocery Stores	541	\$288,633,866	3.5%
Fruit/Vegetable/Meat	542-543	\$1,391,096	3.7%
Candy/Nut/Confectionery	544	\$774,353	14.8%
Dairy Products	545	\$407,080	97.2%
Bakeries	546	\$4,119,205	-1.3%
Other Food Stores		\$12,412,427	5.7%
Auto Dealers/Gas Stations	55	\$687,321,293	5.4%
Auto Dealers (New/Used)	551-552	\$554,487,201	5.3%
Accessory Dealers	553	\$51,877,390	0.5%
Service Stations	554	\$27,807,104	1.4%
Marine/Aircraft, etc		\$53,149,598	13.2%
Apparel/Accessories	56	\$189,440,563	2.5%
Clothing	561-565	\$157,177,383	3.6%
Shoes	566	\$16,369,204	-2.0%
Other Accessories		\$15,893,976	-3.0%
Furniture/Furnishings/Equipment	57	\$425,486,076	9.4%
Furniture	571	\$128,080,490	14.3%
Appliances	572	\$37,818,973	1.9%
Electronics/Music Stores	573	\$259,586,613	8.3%
Eating/Drinking Places	58	\$482,870,178	4.4%
Miscellaneous Retail Stores	59	\$544,230,215	3.7%
Drug Stores	591	\$70,253,076	-0.2%
Miscellaneous Retail Stores	594	\$237,842,242	4.8%
Nonstore Retailers	596	\$57,346,917	10.8%
Fuel/Ice	598	\$25,574,950	-22.0%
Other Retail Stores		\$153,213,030	7.4%
Finance/Insurance/Real Estate	60-67	\$112,884,973	38.2%
Services	70-88	\$1,058,157,096	9.9%
Hotels/Motels etc.	70	\$148,247,824	14.8%
Personal Services	72	\$48,433,368	-0.6%
Business Services	73	\$410,522,322	18.6%
Computer Services	737	\$102,050,892	26.0%
Automotive Repair/Services	75	\$239,784,117	-0.1%
Other Services		\$211,169,465	6.1%
Other Business	0-14, 90's	\$51,392,016	17.3%

Source: Quarterly

Economic Measures, Washington State Department of Revenue.

Sources for Quarterly Economic Measures

AIR TRANSPORT ASSOCIATION is the source for airline industry profits. Their World Wide Web address is <http://www.air-transport.org/>.

BOEING is the source for Boeing employment and for their backlog of airplane orders. Their World Wide Web address is <http://www.boeing.com/>.

CB COMMERCIAL QUARTERLY MARKET REPORT is a quarterly publication of Coldwell Bankers' commercial division. It contains data on industrial, commercial, retail and apartment properties.

CITY OF SEATTLE DEPARTMENT OF CONSTRUCTION AND LAND USE sends out an "Issued Permit Data" report every month. It contains the number of permits issued and the value of permitted construction.

EMPLOYMENT AND PAYROLLS IN WASHINGTON STATE BY COUNTY AND INDUSTRY is published by Washington State Employment Security. It contains wages paid and employment levels for industries by county. It has a lag of about one year.

FEDERAL HOUSING FINANCE BOARD is the source for the national new home mortgage yield. Their web address is <http://www.fhfb.gov/mirs.htm>.

FEDERAL RESERVE is the source for the bulk of national interest rates, as well as industrial production and capacity utilization figures. Their World Wide Web address is <http://www.bog.frb.fed.us/releases/H15/>.

KING COUNTY REEMPLOYMENT SUPPORT CENTER is a core program of the Worker Center and is the source for worker layoff data.

PORT OF SEATTLE is the source for air and waterborne freight shipment data, as well as passenger traffic.

QUARTERLY BUSINESS REVIEW is published quarterly by the Washington State Dept. of Revenue. It lists the amount of taxable retail sales by industry by county. The data has a lag of around six months.

SEATTLE CITY LIGHT tabulates electrical sales in a monthly revenue report.

SEATTLE DEPARTMENT OF REVENUE is the source for new business starts. It is measured by the number of business licenses issued.

SEATTLE-KING COUNTY CONVENTION AND VISITORS BUREAU is the source for the bulk of convention information. The exception is for local room tax, which comes from the

Washington Dept. of Revenue.

SEATTLE TIMES BUSINESS SECTION (from MARKET TRENDS RESEARCH CO.) publishes a table of local interest rates every Monday called "Money/Database."

U.S. BANKRUPTCY COURT tracks the number and type of bankruptcies and tabulates them monthly.

U.S. BUREAU OF ECONOMIC ANALYSIS is the source for many of the national economic measures. Their web site is <http://www.bea.doc.gov>.

U.S. CENSUS BUREAU is the source for manufacturers' new orders and non-defense capital goods orders. Their web site is <http://www.census.gov/indicator/www/table5p.txt>.

WASHINGTON DEPT. OF REVENUE publishes *Local Tax Distributions* every two months. This is the source for local room tax.

WASHINGTON STATE LABOR AREA SUMMARIES is published monthly by Washington State Employment Security. It contains both labor statistics and price index data. It has a lag of one to two months.